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## FISCAL IMPACT REPORT

SPONSOR Leavall DATE TYPED 1/28/03 HB \_\_\_\_\_

SHORT TITLE Workers' Comp Changes SB 111

ANALYST Collard

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	\$750.0	Indeterminate	Recurring	Uninsured Employers' Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Conflicts with SB 74

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Response Received From  
Workers' Compensation Administration

### SUMMARY

#### Synopsis of Bill

Senate Bill 111 provides an enforcement mechanism through the Taxation and Revenue Department for the Workers' Compensation Administration's (WCA) uninsured employers' fund. The uninsured employers fund will be administered subject to the provisions of the Tax Administration Act and all penalty and interest collected in connection with the uninsured employers' fund will be deposited with the state treasurer for the uninsured employers' fund.

### FISCAL IMPLICATIONS

The agency anticipates the uninsured employers' fund will generate \$750 thousand annually. Unspecified increases in the uninsured employers' fund can be anticipated over time.

**CONFLICT**

WCA indicates this bill has a complimentary purpose to Senate Bill 74, but an incompatible approach. Senate Bill 74 shifts the assessment to WCA, which is already subject to the Tax Administration Act and this leaves the assessment as it was passed by the Legislature last year and adds enforcement under the Tax Administration Act.

**OTHER SUBSTANTIVE ISSUES**

WCA indicates a consensus that the bill has been reviewed and supported by the Workers' Compensation Advisory Council and the Taxation and Revenue Department.

**KBC/lg:yr**